## **BEFORE**

## THE PUBLIC SERVICE COMMISSION OF

## SOUTH CAROLINA

DOCKET NO. 2000-0247-C - ORDER NO. 2000-751

SEPTEMBER 8, 2000

IN RE: Application of Cincinnati Bell Long Distance, Inc. and Broadwing Telecommunications, Inc. of Authorization to Transfer Certain Assets. ORDER APPROVING

ASSET TRANSFER AND
CANCELING
CERTIFICATE

This matter comes before the Public Service Commission of South Carolina (the "Commission") on the joint Application of Cincinnati Bell Long Distance, Inc. ("CBLD") and Broadwing Telecommunications, Inc. ("Broadwing") for approval of the transfer of assets from CBLD to Broadwing. More specifically, the joint Applicants seek the approval of this Commission to transfer CBLD's customers to Broadwing.

Pursuant to the Commission's Executive Director's instructions, the two Applicants published a Notice of Filing in newspapers of general circulation one time. The Notice of Filing informed the public of a method of participation in the proceedings herein. No Protests or Petitions to Intervene were received. Accordingly, the two Applicants have moved for expedited review of this matter, and have furnished the verified testimony of Larry D. Barnes, Director—Regulatory Affairs for Broadwing in support of the joint Application.

S.C. Code Ann. Section 58-9-310 (Supp. 1999) requires notice and "due hearing" before the Commission may approve the transfer of the assets of telephone companies from one carrier

to another. When there have been no Protests or Petitions to Intervene, we have often granted Motions for Expedited Review, when they are accompanied by verified testimony. We then declare the Commission meeting where the matter was considered to be the "due hearing" required by the statute.

We also hold that the Commission meeting on August 22, 2000, wherein the matter was considered by the Commission to be the "due hearing" required by the statute. We have examined the testimony of Larry D. Barnes, Director – Regulatory Affairs, and find that it supports the reasoning and ultimate request found in the original joint Application.

Both CBLD and Broadwing have received authority from this Commission to operate as resellers of long distance in South Carolina. CBLD was granted authority to provide interexchange telecommunications services in South Carolina in Order Number 1997-73 (Docket Number 1996-251-C, January 24, 1997). Broadwing was granted authority to provide long distance telecommunications services in South Carolina in Order Number 1994-1114 (Docket Number 1994-235-C, October 24, 1994).

After the transaction between CBLD and Broadwing is complete, CBLD will no longer operate in South Carolina as a long distance carrier, as CBLD requests that the Commission cancel its authority to operate in South Carolina. According to the testimony, on November 9, 1999, Cincinnati Bell, Inc., the parent company of CBLD, and IXC Communications, parent company of Broadwing, merged. Therefore, after the completion of the merger, CBLD and Broadwing became subsidiaries of the same holding company, Cincinnati Bell, Inc. Ultimately, the joint Applicants propose to transfer CBLD's fifty-eight South Carolina customers to Broadwing.

Mr. Barnes also addressed how the transaction between CBLD and Broadwing will affect South Carolina customers. First, Mr. Barnes testified that the transfer of assets will be transparent to consumers in South Carolina and will not adversely affect the provision of telecommunications services in South Carolina. Additionally, Mr. Barnes stated that after the transfer, all of CBLD's products will continue to be provided to the former CBLD customers without disruption and the same services will be available to the former CBLD customers at the same rates and under the same terms and conditions.

Finally, Mr. Barnes testified as to whether approval of the transaction between CBLD and Broadwing is in the public interest. According to Mr. Barnes, approval of the transaction will enable Broadwing to operate more efficiently and effectively. Additionally, the transaction will be transparent to CBLD's former customers because Broadwing, according to the testimony, is fully qualified to provide the same high quality telecommunications services to CBLD's former customers at the same prices. Furthermore, Mr. Barnes testified the transfer will allow CBLD to realize significant economies of scale, thereby making it possible for Broadwing to introduce new products and services in the State of South Carolina over time.

Accordingly, we have examined the testimony and the record of this case, and hereby approve the proposed transaction, for the reasons stated above. CBLD's products will continue to be provided to the former CBLD customers without disruption and at the same rates and under the same terms and conditions. Therefore, we believe that no customer will be adversely affected by the transaction, and the transaction is in the public interest. The Certificate of CBLD shall be cancelled.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Chairman

ATTEST:

Executive Director

(SEAL)